

Introduction to the 2006 Voters' Pamphlet



Dear Voter,

I express my heartfelt thanks to elementary school student Desirae Marion whose artwork is featured on the cover of this year's Voters' Pamphlet, and to high school student Amanda Murphy for her articulate essay on the opposite page. Both illustrate the power of a privilege that gives each of us our voice in government.

As Washington voters, we may appreciate that power better than most. After our historic election for Governor in 2004, the top two candidates stood 46 ten-thousandths of 1 percent apart — and the extraordinary circumstances had only begun.

I commend you for responding to the trials of that election in force and calling for changes that, above all else, guarantee your voice will be protected and secure.

With your help, we have thoughtfully implemented improvements to reinforce the integrity of every election.

Starting next year, Washington will hold its Primary in August instead of September. Ballots will reach our military and overseas citizens in time to be voted and returned before Election Day. County elections departments will also have more time to prepare for the November General Election.

Washington continues to reduce the risk of voter fraud by ensuring that every person who casts a ballot is eligible to vote. With a new centralized voter registration database, we've cancelled 3,468 voter registration records of felons, 18,871 of the deceased, and 24,180 duplicates. In addition, voters who turn out at the polls are required to show identification.

We've also simplified the voting process. Most counties will now only conduct elections by mail instead of holding two elections, one by mail and a second at the polls.

Finally, the Office of the Secretary of State has authority to review every county's election procedures before, during, and after an election.

We, as election administrators, must tirelessly strive for fair and accurate elections.

I encourage you, as a voter, to fulfill your civic duty. Engage in this democracy. Use the Voters' Pamphlet and other resources to cast an informed vote. Find out if your county is using new voting equipment and follow the directions on your ballot carefully.

At the very least, the contested gubernatorial election two years ago ought to leave all of us with newfound respect for democracy and the power of a single vote.



A stylized, handwritten signature of Sam Reed in dark ink.

SAM REED

Secretary of State

The State of Washington

Office of the Secretary of State

2006 Winner of the Voters' Pamphlet Essay Contest

My Vote Gives Me Power

By Amanda Murphy

Senior at Decatur High School

The view of voting as a trivial matter has become an increasing trend among many people in our society today. In fact, less than sixty-one percent of those eligible voted in the last presidential election. This shocking trend is undoubtedly the result of a lack of understanding of the complete ideas behind and the implications of voting. As I reached the voting age, I too had fallen into these common misguided ideas regarding the value and effect of my vote, and it was not until I began to better understand voting that I was able to fully realize the blessing I have been given.

Voting has substantially wider effects than I had ever previously imagined. Our elected officials make laws that will affect our country as well as others for many years. To know that my vote has the potential to be a factor in helping people all around the world is something that I find amazing.

Additionally, unlike in other countries, our right to vote is among the inalienable rights guaranteed to us by our Constitution. Citizens of Afghanistan, for example, only just obtained this right as they voted in their first elections in years, which was secured only through much preceding violence. Knowing that, I feel tremendously grateful to have such a precious gift.

Without a full understanding of voting, many fail to recognize the great effect and power that their vote has. This right is a blessing that I believe we all should cherish.

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Address Confidentiality Program

If you are a victim of domestic violence, sexual assault or stalking who has chosen not to register to vote because you are afraid your perpetrator will track you down through voter registration records, the Office of the Secretary of State has a program that might be able to help you. The Address Confidentiality Program (ACP) works together with community domestic violence and sexual assault programs in an effort to keep crime victims safer. The ACP provides crime victims with a substitute mailing address that can be used when the victim conducts business with state or local government agencies. The ACP also provides participants with the option of confidential voter registration. All ACP participants must be referred to the program by a local domestic violence or sexual assault advocate who can help the victim develop a comprehensive safety plan.

Need More Information?

For more information about the ACP and the phone number of victim resources in your community, call the ACP toll-free at 1.800.822.1065, TDD/TTY at 1.800.664.9677 or visit www.secstate.wa.gov/acp.

Secretary of State Voter Information Hotline 1.800.448.4881
(TDD Hotline for the hearing or speech impaired 1.800.422.8683)
Visit our online voters' guide at www.vote.wa.gov

Voting in Washington State

Voter Qualifications

To register to vote, you must be:

- A citizen of the United States
- A legal resident of Washington State
- At least 18 years old by Election Day
- If you have been convicted of a felony in Washington, another state, or in federal court, you lose your right to vote in Washington until your civil rights are restored.

In Washington State, you do not declare political party membership when you register to vote.

Registration Deadlines

While you may register to vote at any time, keep in mind that there are registration deadlines prior to each election. You must be registered at least **30 days** before an election if you register by mail or through the Motor Voter program. You may register **in person** at the office of your county elections department up to **15 days** before an election. However, you must vote by absentee ballot for that particular election. The phone number and address of your county elections department is located in the back of this pamphlet.

How to Register to Vote

Forms are available on the Internet at **www.vote.wa.gov** or at your county elections department, public libraries, schools, and other government offices. You may also request a form through the State Voter Information Hotline. (*See Services and Additional Assistance on this page.*)

Keep Your Voter Registration Up-to-Date

If your voter registration record does not contain your current name or address, you may not be able to vote. You can use the mail-in voter registration form to let your county elections department know when you move or change your name. You must re-register or transfer your registration at least 30 days before the election to be eligible to vote in your new precinct.

Absentee Ballots

Absentee ballot requests must be made to your county elections department (not the Secretary of State). No absentee ballots are issued on Election Day except to a registered voter who is a resident of a health care facility. A ballot may be requested in person, by phone, mail, electronically or by a member of your immediate family as early as **90 days** before an election.

You may also apply in writing to **automatically** receive an absentee ballot before each election. An absentee ballot request form is on the back page of this pamphlet. ***If you have already requested an absentee ballot or have a permanent request for a ballot on file, please do not submit another application.***

You will receive your absentee or mail-in ballot approximately 14 days prior to the election. Upon receipt, vote your ballot. **Please do not** attempt to vote again at your polling location. Absentee and mail-in ballots must be signed and postmarked or delivered to your county elections department **on or before** Election Day. In order to assist processing, return your voted ballot early.

Election Dates and Poll Hours

The General Election is November 7, 2006. Polling place hours are 7:00 a.m. to 8:00 p.m.

Services and Additional Assistance

Contact your county elections department for help with voting your ballot or finding your polling location. The phone number and address of your county elections department is located in this pamphlet.

Contact the Office of the Secretary of State for:

- Voters' Pamphlets in other formats (Braille, audio cassette, large print) or languages (Spanish, Chinese);
- Lists of initiatives and referenda; and
- Voter registration, voting, and absentee ballot information.

This information is also available at **www.vote.wa.gov** or call the Voter Information Hotline, 1.800.448.4881 (TDD/TTY for the hearing- or speech-impaired only is 1.800.422.8683).

Request for Mail-in Voter Registration Form

(Please print)

Name: _____

Address: _____

City: _____ **ZIP Code:** _____

Telephone: _____ **Number of forms requested:** _____

**MAIL TO: Office of the Secretary of State, Voter Registration, PO Box 40230,
Olympia, WA 98504-0230**

Voter Participation in Election Campaigns

If you wish to participate in the election campaign process through financial contributions, volunteer work or other types of involvement, you may contact the candidate or party of your choice for more information. Listed below are the political parties with candidates appearing on the General Election ballot.

Democratic Party (D)

Washington State Democratic Central Committee
PO Box 4027
Seattle, WA 98194
206.583.0664
www.wa-democrats.org

Green Party (G)

Green Party of Washington State
PO Box 332
Aberdeen, WA 98520
360.532.0949
www.wagreens.us/home/

Libertarian Party (L)

Libertarian Party of Washington State
10522 Lake City Way NE
Seattle, WA 98125
425.641.8247
www.lpwa.org

Progressive Party (PR)

Progressive Party of Washington
PO Box 1034
Puyallup, WA 98371
206.467.1370
www.waprogparty.org

Republican Party (R)

Washington State Republican Party
16400 Southcenter Pky, Ste 200
Seattle, WA 98188
206.575.2900
www.wsrp.org

Public Access to Campaign Spending Reports

Contributions to Candidates and Political Committees

No person may make contributions to a state legislative candidate that exceeds \$700 per Primary or election in which the candidate's name is on the ballot. Contributions to state executive candidates may not exceed \$1,400 in the Primary and \$1,400 in the General Election. A person may give unlimited funds to the exempt activities account of a political party, to ballot issue committees, or to other political committees. During the 21 days before the General Election, however, a person may contribute no more than \$5,000 to a local or judicial office candidate, political party or other political committee. Contributions from corporations, unions, businesses, associations and similar organizations are permitted, subject to limits and other restrictions.

Registration and Reporting by Candidates and Political Committees

No later than two weeks after an individual becomes a candidate or a political committee is organized, a campaign finance registration statement must be filed with the Public Disclosure Com-

mission (PDC) and the county elections department. (Committees that form within three weeks of the election must register within three business days.) The candidate or committee treasurer is also required to report periodically the source and amount of campaign contributions over \$25 and to list campaign expenditures. The occupation and employer of individuals giving more than \$100 to a campaign must also be identified.

These reports may be inspected and copied at the PDC's Olympia office, the county elections department in the county where the candidate lives, and on the Internet (www.pdc.wa.gov). Every candidate and political committee participating in the election must make their campaign books and records available for public inspection, by appointment, during the eight days before the election except Saturdays, Sundays and legal holidays. Use the contact information provided on the campaign registration to make an appointment.

Independent Campaign Expenditures

Anyone making expenditures totaling \$100 or more in support of or opposition to a state or local candidate or ballot proposition (not including contributions made to a candidate or political committee) must file a report with the PDC and their county elections department within five days. Forms are available from the PDC and the county elections department, or can be downloaded from the PDC website. Finally, all political advertising must identify the person paying for the ad and may have to include other information. Expenditures for independently sponsored political advertisements that cost \$1,000 or more and appear during the last three weeks before an election must be reported to the PDC within 24 hours of when the ad is first presented to the public.

Federal Campaigns

Contributions to U.S. Senate and House of Representative candidates are regulated by federal law. An individual may contribute a maximum of \$2,000 in the Primary and \$2,000 in the General Election to each candidate for U.S. Senator and U.S. Representative. Corporations and unions are prohibited from contributing from their general treasury funds to federal campaigns. Contributions may be made from separate segregated funds (also called political action committees or PACs). Copies of the federal campaign finance reports are available from the Federal Election Commission (FEC).

Need More Information?

Contact the Public Disclosure Commission, 711 Capitol Way, Rm 206, PO Box 40908, Olympia, WA 98504-0908; Toll-free: 1.877.601.2828; E-mail: pdc@pdc.wa.gov ; Website: www.pdc.wa.gov . For federal campaigns, contact the Federal Election Commission, Toll-free: 1.800.424.9530; TDD/TTY: 202.219.3336; Website: www.fec.gov .

Helpful Information for Voters

It's your voice. Your privilege. Your right. It is your chance to have your voice heard on matters that affect everyday life. Your help is needed to make sure your vote can be legally counted.

It's the job of your county elections officials to keep track of voter registration records, and to count—and account for—your vote. When your voter registration record is up-to-date, it means you're helping to make elections as accurate as possible.



BRING IDENTIFICATION TO THE POLLS.

If you are a poll voter, be sure to bring “valid photo identification, such as a driver's license or state identification card, student identification card, or tribal identification card, a voter's voter identification issued by a county elections officer, or a copy of a current utility bill, bank statement, paycheck, or government check or other government document. Any individual who desires to vote in person but cannot provide identification as required by this section shall be issued a provisional ballot.” (Chapter 29A.44.205, Revised Code of Washington)



MARKING YOUR BALLOT.

Carefully follow the instructions provided with your ballot. Make sure you mark your ballot clearly so that each vote will be counted correctly.

What Happens if I Vote for More than One Candidate?

In most instances, you may only vote for one candidate per office. If you vote for more than one candidate for an office, or select more than one response for a ballot measure, the votes will be considered “overvotes” and no vote will be counted for that office or ballot measure. In this case, the remainder of your ballot that is valid will be counted. In rare instances, you may vote for more than one candidate but the ballot will clearly indicate that.

How do I Correct My Ballot?

To make a correction on a ballot, you must cross out the incorrect vote and mark the correct choice. If you are unable to correct your ballot, you may request a replacement ballot.

How do I Obtain a Replacement Ballot?

If you have destroyed, spoiled, lost, or not received your original absentee or mail ballot, you may obtain a replacement ballot by contacting your county elections department.



YOUR SIGNATURE MAKES YOUR VOTE COUNT.

Make sure to sign the outer envelope of your absentee/mail ballot before you return it. *The only way your ballot can legally be counted is by verifying and matching your signature to the one on your voter registration record.* If your signature has changed you must update your records with your county elections department.



THE 2007 PRIMARY DATE HAS MOVED.

Mark your calendar. Starting in 2007, the date of the Primary will be the third Tuesday in August (August 21, 2007), pushed back four weeks from the third Tuesday in September. Moving the Primary date not only allows county elections officials preparing and mailing ballots more time to conduct the election but also better protects the right to vote for military and overseas citizens.



STUDENT/PARENT MOCK ELECTION.

Secretary of State Sam Reed and Superintendent of Public Instruction Terry Bergeson will partner this year to bring millions of students across Washington a chance to speak their minds through an online mock vote October 30 through November 2. Our state's Student/Parent Mock Election helps students learn about democracy and the power of voting by offering opportunities to engage in debate with fellow students, campaign for candidates they support and then see their voting results on the Secretary of State's website following "Mock Election Week."

Students can cast votes for U.S. Senators and Representatives, state Legislators, along with initiatives and referenda that will be on the actual ballot five days later (November 7).

Student/Parent Mock Election Registration

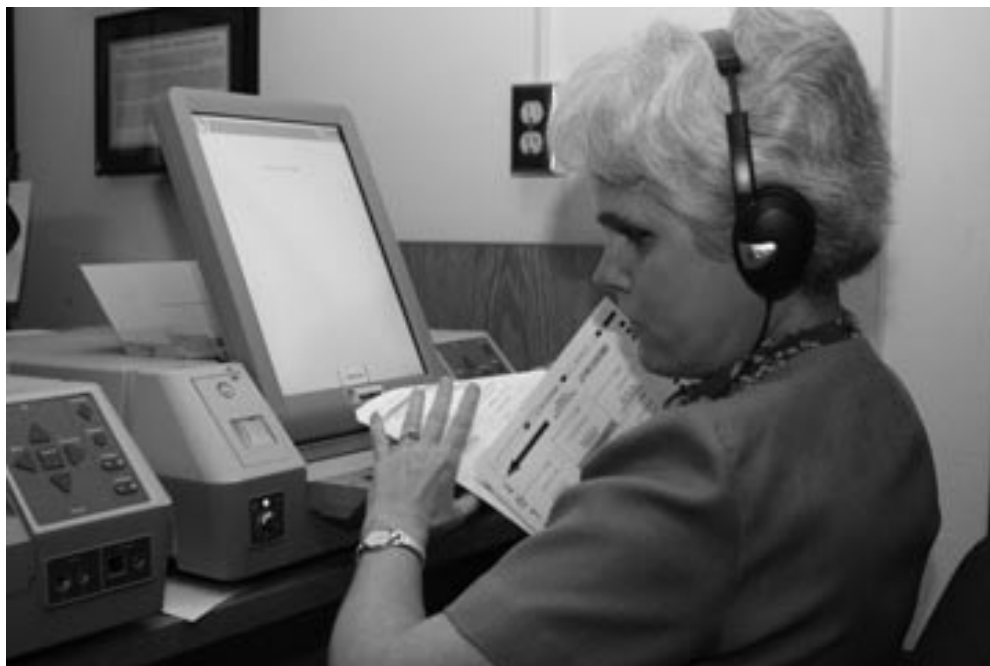
Educators can register their classes by visiting: http://www.secstate.wa.gov/elections/outreach_enrollment.aspx.

Elections Curriculum Available for Educators

Curriculum is available to assist educators to develop lesson plans and generate ideas for organizing mock debates or other activities that can help students complete one of the civics classroom-based assessments (CBAs) developed by the Office of the Superintendent of Public Instruction and now required by law.

Find the free curriculum from the Office of the Secretary of State here: <http://www.secstate.wa.gov/elections/outreach/> and from the National Student/Parent Mock Election website here: www.nationalmockelection.org.

Disability Access Unit



Denise Colley, a Thurston County voter who is blind, votes independently and privately for the first time using a DAU. Her husband, Berl, who is also blind, voted on the same DAU prior to his wife.

The Office of the Secretary of State, in association with Washington's 39 county elections departments, is working to ensure all voting age residents with disabilities have access to electronic voting machines that will allow them to vote as independently and secretly as the general population. Federal law requires the electronic voting machines, known as Disability Access Units (DAUs), to be available to voters 20 days before an election in at least one location in every county.

The DAUs feature large screens that enhance text size for the visually impaired. Each machine also includes headphones so that ballot proposals, instructions and candidate names can be heard by the voter, who then casts each vote by pushing a button. Other attached devices, such as a sip-and-puff, can assist voters who have severe hand and feet limitations. All machines are wheelchair accessible.

Voting on a DAU is secure. All voting equipment in Washington State is certified by the Office of the Secretary of State and has been tested at the federal, state, and county levels to ensure the equipment accurately records and reports the choices made by the voter. In addition, Washington State requires DAUs to provide a paper trail (similar to a paper ballot) that the voter can use to verify his or her vote. Additionally, the paper trail is used in post election audits to compare the results of the voting machines with a hand count of the paper votes.



If you have questions about using a DAU or want to know where a DAU is located in your county, contact your county elections department. Contact information for your county can be found in the back of this pamphlet.

The Ballot Measure Process

The Washington State Constitution affords voters two basic methods of direct legislative power — the initiative and the referendum. While differing in process, both initiatives and referenda have the same effect of leaving the ultimate authority to legislate in the hands of the people.

The Initiative

The initiative process is the direct power of the voters to enact new laws or change existing laws. It allows the electorate to petition to place proposed legislation on the ballot. The initiative's only limitation is that it cannot be used to amend the state constitution.

There are two types of initiatives:



Initiatives to the People - Initiatives to the people, if certified to have sufficient signatures, are submitted for a vote of the people at the next state General Election.



Initiatives to the Legislature - Initiatives to the Legislature, if certified, are submitted to the Legislature at its regular session each January. Once submitted, the Legislature must take one of the following three actions:

- 1) Adopt the initiative as proposed, in which case it becomes law without a vote of the people;
- 2) Reject or refuse to act on the proposed initiative, in which case the initiative must be placed on the ballot at the next state General Election; or
- 3) Approve an amended version of the proposed initiative, in which case both the amended version and the original version must be placed on the ballot at the next state General Election.

Any registered voter, acting individually or on behalf of an organization, may propose an initiative to create a new state law or to amend or repeal an existing statute.

To certify an initiative (to the people or to the Legislature), the sponsor must circulate the complete text of the proposal among voters and obtain a number of legal voter signatures equal to 8 percent of the number of votes cast for the office of Governor at the last regular gubernatorial election.

The Referendum

Washington's referendum process is intended to give voters an opportunity to have the final say regarding laws either proposed or approved by the Legislature. The only acts that are exempt from the power of referendum are emergency laws — those that are necessary for the immediate preservation of the public peace, health or safety, and the support of state government and its existing institutions.

There are two referenda:



Referendum Bills - Referendum bills are proposed laws referred to the electorate by the Legislature.



Referendum Measures - Referendum measures laws recently passed by the Legislature that are placed on the ballot because of petitions signed by voters.

Any registered voter, acting individually or on behalf of an organization, may demand, by petition, that a law passed by the Legislature be referred to a vote of the electorate prior to its going into effect (emergency legislation is exempt from the referendum process — see above).

To certify a referendum measure to the ballot, the sponsor must circulate among voters the text of the legislative act to be referred, and obtain a number of legal voter signatures equal to 4 percent of the number of votes cast for the office of Governor at the last regular gubernatorial election.

A referendum certified to the ballot must receive a simple majority vote to become law (except for gambling and lottery measures which require 60 percent approval).

Please Note: The preceding information is not intended as a substitute for the statutes governing the initiative and referendum processes, but rather should be read in conjunction with them. Relevant sections of law are found in Article 2, Section 1 of the Washington State Constitution and Chapter 29A.72 RCW. To access these sections online, visit the Code Reviser's website at <http://www1.leg.wa.gov/CodeReviser>.



Interesting Voting Facts



Between 1788 and 1870, the right to vote in this country was limited to white men only. In 1870, with the ratification of the Fifteenth Amendment to the U.S. Constitution, citizens, regardless of their race, were granted the right to vote.

The Washington State Constitution gives voters two direct legislative powers - initiative and referendum. Twenty-four of the 50 states grant legislative authority to their citizens through the initiative process. A much-disputed 1912 state law gave the people of Washington the power of initiative.

The Electoral College was created in 1787, creating a situation in which the President and Vice President are not elected directly by the people, but by Presidential Electors. The United States still makes use of the Electoral College system today in Presidential Elections.

President Franklin D. Roosevelt, who served four terms and died in office, was the nation's only Commander in Chief to serve more than two terms. Following Roosevelt's fourth election, Congress passed the Twenty-Second Amendment to the U.S. Constitution, limiting Presidential service to two terms.



With the passage of the Twenty-Sixth Amendment to the U.S. Constitution in 1971, the national voting age, previously set at 21, was lowered to the age of 18.

The women of the Washington Territory had the right to vote in all elections, but lost that right when Washington State was admitted to the Union in 1889.



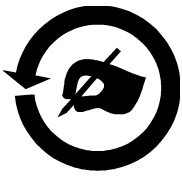
Women did not receive the right to vote in federal elections until 1920 with the signing of the Nineteenth Amendment to the U.S. Constitution.

Washington State is the first and only state to elect three women to three statewide offices – Governor and U.S. Senators – at the same time.

The 2004 Washington State gubernatorial election was one of the closest elections in U.S. history. More than 2.8 million votes were cast and the difference between winner and loser was a mere 129 votes.

Washington State was voted into statehood on November 11, 1889. The notice of the good news was sent by telegram cash-on-demand.





INITIATIVE MEASURE 920

PROPOSED BY INITIATIVE PETITION

Official Ballot Title:

Initiative Measure No. 920 concerns estate tax.

This measure would repeal Washington's state laws imposing tax, currently dedicated for the education legacy trust fund, on transfers of estates of persons dying on or after the effective date of this measure.

Should this measure be enacted into law?

Yes [] No []

Note: The Official Ballot Title and Explanatory Statement were written by the Attorney General as required by law. The Fiscal Impact Statement was written by the Office of Financial Management. For more in-depth fiscal analysis, visit www.ofm.wa.gov/initiatives/default.htm. The complete text of Initiative Measure 920 begins on page 34.



Fiscal Impact Statement

Fiscal Impact Statement for Initiative 920

Beginning July 1, 2007, Initiative 920 would eliminate \$184.5 million in revenue over the next two fiscal years by repealing the state estate tax. The state estate tax is dedicated to funding public schools (kindergarten through 12th grade) and higher education. The repeal would not affect revenue for this fiscal year, which began July 1, 2006 and ends June 30, 2007.

Assumptions for Fiscal Analysis of Initiative 920

- The initiative would repeal the estate tax for taxable estates of people who die on or after the effective date of the initiative, which is 30 days after November 7, 2006.
- Estates in Washington valued at more than \$2 million currently pay a graduated rate ranging from 10 percent to 19 percent on the estate assets above the \$2 million threshold. The value of property used primarily for farming can be deducted from the taxable estate.
- Taxable estates are not required to pay any estate tax until nine months from the date of death of the estate owner. Because of this delay, a repeal of the estate tax would not lower state revenues until the 2007-09 budget period. The revenues for public schools and higher education in the Education Legacy Trust Account would be reduced by a projected \$184.5 million in the 2007-2009 budget period.
- The estate tax is deposited into the Education Legacy Trust Account. Funds in the Education Legacy Trust Account can be used only for class size reductions, extended learning opportunities and other public school improvement efforts adopted in Initiative 728; and for expanding access to higher education through new enrollments and financial aid; and other educational improvement efforts.





INITIATIVE MEASURE 920

Explanatory Statement

The law as it presently exists:

Washington law currently imposes a tax on the transfer of an estate of a deceased person if the taxable value of the estate is at least 2 million dollars. The gross value of a deceased person's estate includes the value at the time of death of all of the deceased person's property, real or personal, tangible or intangible, wherever it is located. The taxable estate is determined by subtracting two million dollars, and various deduction amounts allowed under state law, from the gross value of the estate. The value of certain qualified property, as described in the law, such as farmland and timberland, may be deducted from the taxable value of the estate if the property is passed to a family member of the deceased person and certain other requirements are satisfied. Thus, such farmland and timberland generally are not subject to Washington's estate tax.

The Washington estate tax is computed according to a table in the law. The tax rates and tax amounts specified in the table are graduated to increase with the value of the taxable estate. The minimum tax rate is ten percent for taxable estates of up to one million dollars, and the tax rate increases to a maximum of 19 percent on the portion of the taxable estate over nine million dollars.

The revenues from this estate tax, including penalties, interest, and fees, are deposited in the education legacy trust account. Money in the education legacy trust account may be used only for deposit into the student achievement fund, for expanding access to higher education, and other educational improvement efforts. The education legacy trust account is funded by the estate tax, a portion of the cigarette tax, and certain interest earnings on the account.

Washington's estate tax is independent of any federal estate tax obligations, and is not affected by the payment of federal estate taxes.

The effect of the proposed measure, if it becomes law:

This measure would repeal Washington's estate tax. The repeal would apply to the estates of persons dying on or after the effective date of the measure. The repeal would affect only the Washington estate tax. A deceased person's estate would still be subject to federal laws imposing federal estate tax. Repeal of the Washington estate tax would discontinue that source of revenue for the education legacy trust account.



Statement For Initiative Measure 920

YOUNG PEOPLE HARDEST HIT BY A DEATH TAX ON THE FAMILY'S HARD-EARNED ASSETS

Young people look forward to an economically successful life. They don't need another tax on their family's hard-earned assets. Young people may think they will never face death taxes, but when a family member dies and a business or property must be sold in order for the government to take its cut, they realize what an unfair tax it is. The Death Tax reduces entrepreneurial endeavors that create jobs and expand capital formation. Death should not be a taxable event.

JOBS AND BUSINESS ARE ERODED BY ESTATE TAX (DEATH TAX) AND ALL CITIZENS AFFECTED

Entrepreneurship and jobs in the free enterprise system produce successful citizens and wealth. Small business owners create 97% of the jobs in Washington. Death taxes penalize savings, investment capital, business development and unjustly force the breakup of thousands of businesses and properties. Businesses and jobs disappear. Employers, employees, retirees and heirs all lose when death taxes force liquidation of assets.

SENIORS THRIVE ON SUCCESS OF THEIR CHILDREN (SUCCESS SHOULD BE REWARDED NOT PENALIZED)

Whether helping finance a car, home, real estate, or business, seniors thrive on helping their children and grandchildren. They want them to economically succeed. Individual entrepreneurial success should be rewarded and their hard-earned money should stay theirs to dispose of as they wish. Past revenue appraisers even appraised wedding rings. A grandparent's or parent's death should not trigger a tax and penalize heirs.

DEATH SHOULD NOT BE A TAXABLE EVENT—VOTE “YES” ON I-920

Washington voters abolished inheritance taxes in 1981, with *Yes* - 610,507 (67.24%), *No* - 297,445 (32.76%). This “new” Washington Estate Tax is separate from the federal estate tax resulting in survivors possibly paying nearly 70% in taxes. Death should not be a taxable event. Vote “Yes.”

For more information, visit www.NoEstateTax.org or call 253.565.1776.

Rebuttal of Statement Against

Repealing the estate tax will not reduce general funds for education. The estate tax burdens working family businesses that invest capital to create jobs in Washington. Traditionally, education funding comes from the general fund, is accountable to performance audits and legislative review. Funding, using government, to tax at death is a burden on the American family dream of prosperity, accumulating property and giving to your children and grandchildren. Death should not be a taxable event.

Voters' Pamphlet Argument Prepared by:

DENNIS FALK, Chairman, Committee to Abolish Washington State Estate Tax; GENE E. LYNN, owner, Careage; CLAYTON R. JONES, Executive, Red Shield Insurance Company; LEE KEARNEY, retired; MARCIA ATKINSON, writer; LINDA G. HANNA, retired.

Statement Against Initiative Measure 920

DON'T REPEAL FUNDS FOR PUBLIC EDUCATION

I-920 would gut a vital source of dedicated funding for education by repealing Washington's estate tax. No one who's not a multimillionaire pays the tax.

ONLY THE WEALTHIEST ESTATES PAY; FAMILY FARMS EXEMPT

The estate tax affects less than 1% of Washington's families, applying only to estates worth more than \$2 million for individuals and \$4 million for couples. In fact, taxes are only charged on amounts above those thresholds. If a couple's estate is worth \$4,050,000, taxes are only 10% of \$50,000.

Family farms are totally exempted, so farmers can freely pass their property on to their children.

A FAIR AND REASONABLE WAY TO GIVE BACK TO THE COMMUNITY

As it is, Washington's working- and middle-class families already pay too much of the tax burden. The estate tax is a fair and reasonable way for the fortunate few to give something back. Repealing it will take \$100 million away from public schools and penalize thousands of kids.

IT'S A MATTER OF PRIORITIES: MORE EDUCATION NOT MORE TAX BREAKS

FOR MULTIMILLIONAIRES

Estate taxes by law go into the Education Legacy Trust Fund. The Fund is instrumental in the voter-mandated effort to help reduce K-12 class sizes, giving students more individual attention from teachers. Washington's classes are among the nation's largest and I-920 would frustrate efforts to reduce class sizes.

The Trust Fund also supports efforts to make higher education more affordable for students from working families.

It is far more important to support public education than to allow a few wealthy heirs to avoid paying their fair share. It's a one-time payment from the very few and it means so much to thousands of kids. Vote *no* on I-920.

For more information, call 206.621.1042.

Rebuttal of Statement For

The few heirs affected by the estate tax are the wealthiest among us. Only estates over \$2 million for individuals (\$4 million for couples) pay any tax.

The most fortunate should give back something to the society that made their wealth possible.

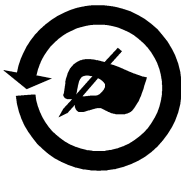
99.5% of estates, including all family farms and most small businesses, pay *no* tax.

Enacting this measure would take \$100 million from public education.

Vote *no* – no more tax breaks for multimillionaires!

Voters' Pamphlet Argument Prepared by:

CHARLES HASSE, fourth-grade teacher, Washington Education Association President; WILLIAM H. GATES, author of *Wealth and Our Commonwealth*; KAREN GUZAK, Snohomish entrepreneur and small business owner; JOHN SENSENEY, third generation apple grower; PAMELA J. STEINBURG, middle school math teacher in Wenatchee; JAMES RUSHING, small business owner in Thurston County.



INITIATIVE MEASURE 933

PROPOSED BY INITIATIVE PETITION

Official Ballot Title:

Initiative Measure No. 933 concerns government regulation of private property.

This measure would require compensation when government regulation damages the use or value of private property, would forbid regulations that prohibit existing legal uses of private property, and would provide exceptions or payments.

Should this measure be enacted into law?

Yes [] No []

Note: The Official Ballot Title and Explanatory Statement were written by the Attorney General as required by law. The Fiscal Impact Statement was written by the Office of Financial Management. For more in-depth fiscal analysis, visit www.ofm.wa.gov/initiatives/default.htm. The complete text of Initiative Measure 933 begins on page 36.



Fiscal Impact Statement

Summary of Fiscal Impact

Initiative 933 is estimated to cost state agencies \$2 billion to \$2.18 billion over the next six years for compensation to property owners and administration of the measure. In the same time period, the Initiative is estimated to cost cities \$3.8 billion to \$5.3 billion, based upon number of land-use actions since 1996, and is estimated to cost counties \$1.49 billion to \$1.51 billion. Costs are derived from the requirement that, with specific exceptions, state agencies and local governments must pay compensation when taking actions that prohibit or restrict the use of real and certain personal property.

Assumptions Supporting Fiscal Impact Statement

- State and local governments would be required to document the impact of new rules or ordinances that may affect the use or value of private property prior to its adoption and evaluate less restrictive alternatives. State agencies estimate additional costs to the rule-making process of \$24 million over six years. Based upon population it is estimated to cost cities between \$80 and \$103 million and counties between \$28 and \$36 million over six years.
- Claims for payments asserting that state or local rules and ordinances result in damage to use or value to property would be triggered when state and local governments deny or restrict private property owners who file permit applications with state or local governments to develop, harvest or otherwise make use of their property. Claims would also be triggered when a state or local government took an action to enforce an existing rule, ordinance or permit.
- According to state agencies, approximately 5,920 claims per year is estimated to be filed, and would likely be made for restrictions placed upon timber harvest, surface





INITIATIVE MEASURE 933



Fiscal Impact Statement (continued)

mining, activities occurring in rivers and streams to protect fish life, activities to preserve clean water, and activities involving the state's shorelines. Claims processing is estimated to cost state agencies approximately \$1.86 million over the next six years.

- Claims-processing costs for local governments from claims in local-land use, local-shoreline management plans and critical-area designations programs are assumed in the estimates for the additional analysis required for rule or ordinance adoption.
- State agencies would need to complete appraisals to verify compensation claims, resulting in a cost to state agencies of approximately \$115 million over six years. The estimate is based on costs of \$7,500 per appraisal for real property and \$2,600 per timber cruise. Using similar appraisal costs, but assuming they would occur when there are appeals of decisions, the estimated cost to cities is between \$130 and \$556 million and to counties between \$13 million and \$66 million over six years.
- Under existing laws, appeals related to compensation levels would be filed in Superior Court. Between 5 percent to 20 percent of all claims (275-1,100) for state agencies is estimated to be appealed annually, increasing state agency litigation costs between \$29.8 million and \$98.8 million over the next six years. Using a standard cost per city based upon population, it is estimated to cost cities between \$126 million and \$161 million over six years and counties between \$35 and \$45 million over six years for litigation costs.
- Superior Courts and the Courts of Appeal will have additional costs resulting from claim decisions made by state agencies. The Office of the Administrator for the Courts estimates that these costs will be divided as follows: costs to the counties will be between \$495,000 and \$830,000 and the cost to the state will be between \$82,000 and \$328,000. Assuming a total of 5,000 appeals from state and local government action, there would be an additional \$3.9 million in first year costs and \$2.7 million in subsequent years.
- Assuming there are 5,920 claims per year, state agencies have estimated a range of compensation between \$344 million and \$352 million annually or \$1.89 billion to \$1.9 billion over six years. This estimate does not include compensation that may be required for restrictions placed upon 900 Hydraulic permits annually issued by the Department of Fish and Wildlife, which cannot be determined due to the highly site-specific requirements for these permits. Also not included are compensation estimates for timber-harvest restrictions occurring on unstable slopes or to protect marbled murrelet habitat; restrictions for Bald Eagle Site Management Plans occurring on nonresidential permits; and for setbacks to protect drinking water systems or setback and lot size requirements for onsite sewage systems required by the Department of Health.
- It is estimated to cost cities between \$3.5 billion and \$4.5 billion to pay compensation for actions that have occurred since 1996. The estimate is based upon a survey of cities on possible impacts, population growth rates, and assessed value.





INITIATIVE MEASURE 933



Fiscal Impact Statement (continued)

- County governments planning under the Growth Management Act could see potential claim for compensation of approximately \$1.4 billion over six years. This is based upon the potential compensation request for loss in value for acreage equivalent to that contained in the counties urban growth areas. No estimate is included for a loss in value for counties not planning under the Growth Management Act because of the inability to determine the number of acres in each county designated as critical areas such as geologic hazards, critical fish and wildlife habitats, wetlands, aquifer recharge areas or frequently flooded areas.
- These compensation estimates assume that state agencies and local governments will be unable to waive any current restrictions that may reduce the use or value of private property. It is also assumed that the state will not delegate back to the federal government federally delegated programs (i.e., Clean Water Act, Clean Air Act, etc.). No estimate has been made for any future actions taken by governments that may require compensation or for actions that attempt to reduce liability caused by the Initiative.
- The compensation estimates are also based primarily upon potential loss in value to real property. No estimate has been made for any potential loss to personal property.
- State law does not allow for the estimation of private costs or benefits from this or any other initiative.





INITIATIVE MEASURE 933

Explanatory Statement

The state and local governments enact and enforce laws that affect the use of real property, including laws that impose restrictions on use or development of real property. These laws are subject to constitutional and statutory requirements that provide certain protections to private property owners.

Washington's constitution requires state and local government to pay an owner of private property just compensation before taking or damaging private property for a public use, and in general prohibits government from taking private property for private use. The federal constitution provides similar protections. A common example of the requirement for just compensation occurs when government acquires private property to build a public road. The constitution requires government to pay fair market value for private property taken to build the road and for damages to private property used for the road building but not taken.

The constitutional requirement to pay just compensation also applies under limited circumstances to laws that restrict the use of private property. If the restriction completely eliminates the owner's economic use of real property, or if the restriction involves a physical intrusion onto the private property, then just compensation is generally required. Whether regulations or restrictions on use of real property otherwise amount to a taking or damaging of private property under the constitution (and thus require payment of just compensation) depends on the particular effects on property. A restriction on real property may require just compensation depending on the economic impact of the restriction on the property, how the restriction affects legitimate property uses and the property owner's reasonable investment-backed expectations, and whether the restriction reflects a reasonable means for achieving an important public objective.

Under the state and federal constitutions, a property owner may bring an action for just compensation to obtain the fair market value of property taken or damaged by the government, if the government has not paid compensation. Under the Washington Constitution, the property owner may also bring an action to invalidate government action that is taking or damaging private property and there is no public use, only a private use.

Under current state law, a property owner who has applied for a permit to use property may recover damages, attorney fees, and other costs where a state or local agency action on the permit application is arbitrary or capricious, or if the state or local agency does not act within time limits established by law. RCW 64.40. Under a variety of laws, a property owner may challenge state or local government restrictions on the use of property and obtain an agency review or judicial remedy if a restriction is not allowed under state or local laws. These statutory protections for property owners are in addition to the constitutional right to just compensation described above.

Under current state law, state agencies and local governments are required to follow an orderly and consistent process using advice and education from the Attorney General's Office to evaluate proposed actions affecting the use of property and to avoid taking or damaging private property without just compensation. RCW 36.70A.370. The process applies to all state agencies and to those local governments that plan and regulate land uses under the Growth Management Act.





INITIATIVE MEASURE 933

Explanatory Statement (continued)

The effect of the proposed measure, if it becomes law:

As described below, Initiative Measure 933 would require a government to consider and document certain factors prior to enacting laws regulating private property. The Measure would also require a government to pay compensation to private property owners to enforce restrictions “damaging the use or value” of private property as defined by the Measure, which would require compensation in circumstances in addition to those where the state or federal constitutions would require compensation. Development regulations could not prohibit legal uses existing on a parcel of property.

Initiative Measure 933 would require state and local government agencies to consider and document certain matters prior to enacting an ordinance, regulation, or rule that may “damage the use or value” of private property. “Private property” is defined to include all real and personal property interests protected by the state and federal constitutions, including and not limited to interests in land, buildings, crops, livestock, mineral and water rights. In general, “real property” refers to land, interests in land, and things attached to the land; “personal property” includes all other property. Government would be required to consider and document several factors, including: (1) identifying the private property to be affected by a proposed action; (2) the purpose(s) to be served by the action and the connection between the action and its purpose(s); (3) the extent to which the action deprives property owners of uses of property, or interferes with a property owner’s right to exclude others, to possess property, to enjoy property, or to dispose of property; (4) estimated compensation that would be required under the Measure for “damaging the use or value of property”; and (5) alternative less restrictive means of accomplishing the governmental purposes, including voluntary cooperation.

The Measure defines “damaging the use or value of property” as meaning “to prohibit or restrict the use of private property to obtain benefit to the public the cost of which in all fairness and justice should be borne by the public as a whole,” and includes examples of restrictions that would and would not result in “damaging the use or value” of private property, triggering the requirement for compensation.

Under Initiative Measure 933, examples of government action “damaging the use or value” of property and requiring compensation would include enforcement of any ordinance, regulation, or rule to private property:

- Prohibiting or restricting the use or size, scope, or intensity of any use legally existing or permitted as of January 1, 1996;
- Regulating the use of tidegates, bulkheads, or structures reasonably necessary to protect private property, the operation and maintenance of irrigation structures, or how a private property owner responds to flooding, erosion, or fire conditions;
- Requiring a portion of real property to be left in a natural state or with no beneficial use to the owner, unless necessary to prevent immediate harm to human health and safety; or





INITIATIVE MEASURE 933

Explanatory Statement (continued)

- Prohibiting maintenance or removal of trees or vegetation.

Initiative Measure 933 provides that enforcement of restrictions that apply equally to all property subject to a state or local agency's jurisdiction would not "damage the use or value" of private property, and so would not require compensation. Under the Measure, examples include:

- Restricting the use of property to prevent immediate threat to human health or safety;
- Requiring compliance with structural standards like building or fire codes to prevent harm from natural disasters like fire, flood, or earthquake;
- Limiting location of sex offender housing or adult entertainment;
- Requiring compliance with federal laws restricting chemical uses, with worker health and safety laws, and with worker wage and hour laws;
- Requiring compliance with ordinances establishing setbacks from neighboring property lines, but only if the setbacks were set before January 1, 1996.

Under Initiative Measure 933, if a local or state agency decided to enforce or apply an ordinance, regulation, or rule "damaging the use or value" of property, the agency must first pay the property owner compensation, and an agency that chooses not to take such an action is not liable for paying the property owner. Compensation would be the amount by which the fair market value of affected property is decreased by application or enforcement of the ordinance, regulation, or rule, and the fair market value of any portion of the property required to be left in a natural state or without beneficial use. Compensation also would include the property owner's reasonable attorney fees to enforce compensation under the Measure.

Initiative Measure 933 would not limit existing state or local government authority to waive or vary the requirements of existing laws. The Measure would prohibit an agency from charging a fee to consider whether to waive or vary a law to avoid paying compensation that would be required under the Measure.

Initiative Measure 933 would amend current law to provide that "development regulations" could not prohibit uses legally existing on any parcel prior to their adoption. The term "development regulations" refers to controls placed on development or land use activities by a county or city such as zoning ordinances, critical areas ordinances, shoreline master programs, planned unit development ordinances, and subdivision ordinances.



Statement For Initiative Measure 933

Initiative 933, the Property Fairness Act, will restore balance between government's power to regulate and the people's constitutional right to own and use private property.

IT'S FAIR: PROTECTING THE USE OF PRIVATE PROPERTY PROTECTS OUR JOBS, RETIREMENTS AND PUBLIC SERVICES

In the past 10 years, excessive government regulations have violated our rights and made it difficult for farmers and other property owners to use their property in reasonable ways.

For most of us, our homes are our greatest investment. Government should not be able to change the rules and strip us of the use or value of our private property. I-933 protects our jobs, our economy and our retirement plans that depend on reasonable use of private property.

IT'S FAIR: I-933 REQUIRES GOVERNMENT TO CONSIDER COSTS AND RESPECT PROPERTY OWNERS' RIGHTS

Too often, government adopts regulations without fully understanding the impact on the people it represents. I-933 will require government to identify the likely impact on property owners and pursue voluntary, cooperative efforts to achieve environmental goals before adopting new regulations.

IT'S FAIR: I-933 RETURNS RESPONSIBILITY FOR LAND-USE PLANNING TO LOCAL GOVERNMENT AND CITIZENS

Instead of accepting top-down mandates from unelected state officials, local government will be required to assess the impact of its actions on local property owners, thus giving citizens more say in local land-use decisions, and holding local officials accountable for their actions. Agencies can choose whether to compensate property owners or avoid damaging the use and value of private property. But the main point of I-933 is to have government avoid damaging property in the first place.

IT'S FAIR: I-933 REQUIRES GOVERNMENT TO RESPECT OUR RIGHTS AND FOLLOW THE CONSTITUTION

Washington's state constitution says, "No private property shall be taken or damaged...without just compensation." I-933 will force government to respect our rights and follow the constitution. For more information, visit www.propertyfairness.com or call 360.528.2909.

Rebuttal of Statement Against

I-933's opponents will say anything to maintain big government control of private property. Their claims simply aren't true. If local regulations prohibited development or activities 10 years ago, it will still be prohibited after I-933 passes.

However, if you prove government action damaged use or value of your property, government would compensate you or avoid causing damage.

I-933 forces government to consider costs and follow our state constitution by paying if regulations damage your property.

Voters' Pamphlet Argument Prepared by:

STEVE APPEL, Endicott, wheat farmer, President of Washington Farm Bureau; SCOTTIE MARABLE, Bellevue, NFIB State Chair and small business owner; HEATHER HANSEN, Executive Director, Washington Friends of Farms and Forests; CLYDE BALLARD, Wenatchee, former Republican Speaker, House of Representatives; DAN WOOD, Montesano, former County Commissioner and Democratic Party Chair; DAVID TAYLOR, Yakima, land use consultant, former County Planning Director.

Statement Against Initiative Measure 933

A POORLY WRITTEN, LOOPHOLE-RIDDEN INITIATIVE THAT LEAVES HUNDREDS OF QUESTIONS UNANSWERED

Initiative 933 is deceptive and misleading. It provides no protection from eminent domain abuses. Instead, the special interests behind I-933 crafted loopholes that force Washington taxpayers to pay billions to a small group of property owners, or force communities to waive safeguards against irresponsible development.

WHO BENEFITS FROM I-933'S LOOPHOLES?

Here is an example of how the loopholes work. If laws prevent a property owner from expanding a strip mall in a neighborhood or building a subdivision on farmland, I-933 would force the community into a no-win choice—either waive the law or have taxpayers pay the property owner for not being able to build.

How will governments decide which laws to waive and who taxpayers pay? One thing is certain: I-933 is so poorly written it will generate endless lawsuits. Special interests will hire the best lawyers and win out over communities. The lawyers' fees and administration alone will cost taxpayers millions.

Don't be fooled – irresponsible development hurts farming. Hundreds of family farmers oppose I-933.

WHY WILL I-933 COST TAXPAYERS SO MUCH? AND WHERE WILL THE MONEY COME FROM?

In Oregon, a similar law generated almost \$4 billion in claims against taxpayers. I-933 could cost each Washington taxpayer thousands yearly in additional taxes or lost services.

HOW WILL I-933 HARM SAFEGAURDS FOR OUR COMMUNITIES?

Communities have worked hard to protect their quality of life, but I-933 applies retroactively to laws going back at least 10 years! This would force communities to waive hundreds of existing safeguards we have depended on to protect neighborhoods and farmland, prevent water pollution, traffic and over-development.

I-933 is a costly assortment of loopholes, lawsuits, and special deals. Please vote *no*!

For more information, call 206.323.0520.

Rebuttal of Statement For

What's fair about irresponsible development? Worse traffic? More taxes? Ask yourself who stands to gain from I-933's loopholes.

Far from restoring balance, I-933's loopholes allow irresponsible development to damage farmlands. That's why farmers and farm-workers oppose it – including Western Washington Agricultural Association, Whatcom County Agricultural Preservation Committee, and United Farm Workers.

There's nothing fair about thousands of dollars in new taxes each year, damaging our neighborhoods, and jeopardizing our quality of life. Vote *no*.

Voters' Pamphlet Argument Prepared by:

JOHN ROSE, Board Chair, The Nature Conservancy of Washington; KELLY FOX, President, Washington State Council of Fire Fighters; BARBARA SEITL, President, League of Women Voters of Washington; LINDELL HAGGIN, Director, Neighborhood Alliance of Spokane County; ALAN MESMAN, President, Skagitonians to Preserve Farmland; ERIK NICHOLSON, Pacific Northwest Regional Director, United Farm Workers.



INITIATIVE MEASURE 937

PROPOSED BY INITIATIVE PETITION

Official Ballot Title:

Initiative Measure No. 937 concerns energy resource use by certain electric utilities.

This measure would require certain electric utilities with 25,000 or more customers to meet certain targets for energy conservation and use of renewable energy resources, as defined, including energy credits, or pay penalties.

Should this measure be enacted into law?

Yes [] No []

Note: The Official Ballot Title and Explanatory Statement were written by the Attorney General as required by law. The Fiscal Impact Statement was written by the Office of Financial Management. For more in-depth fiscal analysis, visit www.ofm.wa.gov/initiatives/default.htm. The complete text of Initiative Measure 937 begins on page 40.



Fiscal Impact Statement

Fiscal Impact Statement for Initiative 937

Initiative 937 would cost state government \$2.34 million in administrative costs over 14 years or an average of \$167,000 per year. The offices of the Attorney General, Auditor, Utilities and Transportation Commission, and the departments of Community Trade and Economic Development, and Labor and Industries each would have a role in monitoring or assisting compliance. The initiative's fiscal impact on Washington's local governments cannot be determined due to variables ranging from future fuel costs to changes in demand for electricity. For the same reason, the impact of electricity costs for state and local governments cannot be determined.

Assumptions for Fiscal Analysis of Initiative 937

- The initiative requires the 17 largest electric utilities, which includes both public and private entities, in Washington to have 15 percent of their power supply generated from renewable resources by 2020; interim targets are also established. The utilities must also set and meet energy conservation targets starting in 2010.
- The Attorney General, State Auditor, Utilities and Transportation Commission, and the departments of Community Trade and Economic Development, and Labor and Industries each would require additional funds to implement the initiative. These funds would pay for: enforcement activity by state agencies to ensure resource targets were being met; rule making; legal advice; additional audits; and development of required apprenticeship programs for the renewable energy field.
- Local utility cost and revenue impacts are a function of fuel mix, load growth, and future fuel costs and cannot be estimated at this time.





INITIATIVE MEASURE 937

Explanatory Statement

Electricity is supplied in Washington by both privately-owned companies (investor-owned utilities) and by publicly-owned utilities (utilities owned by cities, public utility districts, and certain other local government units). Some of these utilities operate their own facilities for generating electricity (typically hydroelectric dams or coal- or gas-fired generators). Some of these utilities purchase some or all of their electrical power from other utilities, from private producers or sellers of power, or from regional governmental entities such as the Bonneville Power Administration.

The state Utilities and Transportation Commission (UTC) regulates the rates and practices of investor-owned electric utilities serving customers in this state. Under existing law, the UTC is required to adopt and implement policies to provide financial incentives for energy efficiency programs, and may authorize utilities to issue conservation bonds for the construction, acquisition, and operation of conservation assets. Each investor-owned electric utility has conservation service tariffs that charge rates sufficient to recover from its customers the utility's cost of conservation investment.

The UTC does not regulate publicly-owned electric utilities that serve customers in this state. These utilities are directly responsible to the voters in their service territories for their rates, services, and policies. Under existing law, cities operating electric utilities may issue bonds or otherwise borrow money for energy conservation purposes, and are required to develop conservation plans to assist the public in conserving energy. Public utility districts are subject to similar energy conservation planning requirements, and are also authorized to assist citizens by financing the acquisition and installation of materials and equipment for energy conservation purposes.

The effect of the proposed measure, if it becomes law:

Under existing law, electric utilities in this state are not obligated to meet any specific numeric targets for either energy conservation or use of renewable resources to produce power. The proposed measure would impose targets for energy conservation and use of eligible renewable resources on all electric utilities that serve more than 25,000 customers in this state.

Energy conservation. By January 1, 2010, each such electric utility would be required to identify its "achievable cost-effective conservation potential" through 2019, and to update this assessment at least every two years. "Conservation" would mean "reduction in electric power consumption resulting from increases in the efficiency of energy use, production or distribution." Each utility would be required to set an annual target consisting of a certain share of this achievable cost-effective conservation potential, and to meet that share of conservation. In determining whether a utility meets its annual conservation target, the utility could include the reduction in electric energy sold to retail customers which own and use a high-efficiency cogeneration facility to meet some of their own power needs.

Renewable resources. Each utility would also be required to meet specific targets for using eligible renewable resources to produce electricity, stated as a percentage of the utility's load.





INITIATIVE MEASURE 937

Explanatory Statement (continued)

“Load” refers to the total amount of electricity the utility sold that year to its retail customers. Examples of eligible renewable resources include wind farms, solar panels, and geothermal plants. With limited exceptions, use of fresh water by hydroelectric dams and plants is not included as an eligible renewable resource.

Each utility would have to use renewable resources to serve at least three percent (3%) of its load by 2012 through 2015; nine percent (9%) of load by 2016 through 2019, and fifteen percent (15%) of load by 2020 and thereafter. A utility could comply with its annual renewable resource target by using the requisite amount of eligible renewable resources, by purchasing enough eligible renewable resource credits (or a combination of each), or by investing at least four percent (4%) of its total annual retail revenue requirement in renewable resources.

Cost recovery, penalties, reporting and enforcement. An investor-owned utility would be entitled to recover from its customers all costs the utility prudently incurred to comply with the measure. Similarly, each publicly-owned utility would be expected to recover its cost of compliance from its customers.

If a utility fails to comply with either the energy conservation or the renewable energy targets, it would have to pay a penalty in the amount of \$50 for each megawatt-hour of shortfall. This penalty amount would be adjusted annually for inflation. Penalty payments would go into a special account, and could only be used for the purchase of renewable energy credits or for energy conservation projects at state and local government facilities or publicly-owned educational institutions.

In each year beginning in June 2012, each utility would be required to report to the state Department of Community, Trade, and Economic Development (CTED) on the utility’s progress in the preceding year in meeting the targets. The investor-owned utilities would supply the same information to the UTC. Each utility would be required to make these reports available to its customers.

The UTC would be authorized to implement and enforce the measure as to investor-owned utilities, and to adopt rules accordingly. For publicly-owned utilities, CTED would be authorized to adopt procedural rules and documentation requirements; the state auditor would be responsible for auditing compliance with the measure; and the Attorney General’s Office would be responsible for enforcement.



Statement For Initiative Measure 937

INITIATIVE 937 PROVIDES A CLEANER, MORE AFFORDABLE ENERGY FUTURE

As Washington's demand for energy grows, we can choose where we get our electricity.

We can either burn more fossil fuels like coal that pollute the air. Or we can use more clean, affordable renewable energy like wind and solar power – produced here in the Northwest.

I-937 is the cleaner, more affordable energy choice:

- *15% renewable energy.* It requires the largest electric utilities to get 15% of their electricity from *new* renewable energy by 2020.
- *Energy conservation.* It requires utilities to help consumers and businesses save money through energy conservation.

INITIATIVE 937 SAVES ENERGY AND SAVES US MONEY

I-937 gives us cheaper, renewable alternatives like wind and solar. According to Puget Sound Energy, just two Washington wind farms are projected to save consumers \$170 million. Renewable energy strengthens family farms by paying up to \$5,000/year per wind turbine.

I-937 also saves money by requiring utilities to offer energy efficiency programs, like cash rebates for energy efficient appliances, home weatherization, and lighting, heating and cooling systems for businesses.

INITIATIVE 937 IS A COMMON SENSE, PROVEN APPROACH

I-937 is an approach that's already working in 20 states. I-937 lets us take hold of our energy future and reduce our dependence on fossil fuels.

INITIATIVE 937 WILL GIVE US CLEANER AIR

Pollution from fossil fuels contributes to thousands of cases of lung disease and asthma each year. Renewable energy helps protect our families' health by keeping our air clean.

Join the broad coalition including Union of Concerned Scientists, Washington Public Utility District Association, and Physicians for Social Responsibility choosing a clean energy future. *Vote yes! on I-937.*

For more information, visit www.yeson937.org or call 206.283.3335.

Rebuttal of Statement Against

Don't be misled by corporate polluters. I-937 opponents run the Washington Research Council; don't trust its study.

I-937 will save us energy and money – through conservation and cheaper, cleaner energy.

Twenty states have adopted this approach, with proven cost savings – in just two years, Colorado consumers have saved \$14 million.

I-937 protects consumers and reduces dependence on fossil fuels.

Yes on I-937! For cleaner air and more affordable energy.

Voters' Pamphlet Argument Prepared by:

NINA CARTER, Executive Director, Audubon Washington; GREGORY REDDING, M.D., President-elect, American Lung Association of Washington and Idaho; BARBARA SEITL, President, League of Women Voters of Washington; BOB POWERS, family farmers, Bickleton, Washington (Klickitat County); MICHAEL O'SULLIVAN, Government Relations, American Cancer Society, Great West Division; ART BOULTON, President, Washington State Alliance of Retired Americans.

Statement Against Initiative Measure 937

I-937 WILL INCREASE ELECTRIC RATES AND UTILITY TAXES FOR HOMES AND BUSINESSES.

Alternative energy projects are being built now, but when required by law energy will be more costly for everyone. The non-partisan Washington Research Council estimates that I-937 will cost at least \$185 million per year and could cost twice that much. Vote *no* on higher energy costs.

Alternative energy projects are heavily subsidized by a federal tax cut that ends next year. If it is not renewed by Congress, the cost for alternative energy could increase an extra 40%.

Higher energy costs put family-wage manufacturing and high-tech jobs at risk and hurt hospitals, family farms and small businesses.

Lower-income households and senior citizens on fixed incomes will be disproportionately impacted by higher energy bills.

I-937 DOES NOT TREAT LOW-COST HYDROPOWER AS “RENEWABLE ENERGY” WHILE OTHER STATES DO.

I-937 will cause low-cost hydropower to be sold to California while local utilities buy higher cost alternative energy for our homes and businesses.

FINES ON UTILITIES FOR NOT HAVING ENOUGH “RENEWABLE ENERGY” WILL BE PAID BY HOMES AND BUSINESSES.

Mandates and fines proposed by I-937 are not the way to promote alternative energy. We are paying too much for our energy bills now.

ALTERNATIVE ENERGY PROJECTS ONLY OPERATE SPORADICALLY AND MANY COMMUNITIES WON'T ALLOW THEM.

Wind and sunshine are irregular energy sources. Hydropower or thermal plants are needed to supply steady power for homes and businesses. But hydropower resources are being cut to protect fish and may not be available to supplement alternative energy.

I-937 does not require utilities to build alternative energy projects in Washington. Kittitas and Benton counties have rejected wind power proposals due to public opposition. Other states may financially benefit from these mandated projects, while we pay the cost.

Vote No and visit www.NOonI-937.com.

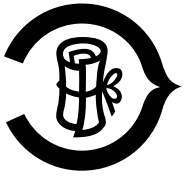
Rebuttal of Statement For

Puget Sound Energy and other utilities are already building wind projects, but only when they make economic sense. I-937 will make non-hydropower renewable energy even more expensive. The Northwest Power and Conservation Council reports the cost of new wind projects has “risen substantially,” because of mandates in other states.

There is nothing affordable about I-937. \$185 to \$370 million per year in additional energy costs to our households and businesses is too much. Vote no.

Voters' Pamphlet Argument Prepared by:

DON BRUNELL, President, Association of Washington Business; KRISTINE M. MIKKELSEN, CEO, Inland Power and Light Company; LINDA LANHAM, Aerospace Futures Alliance of Washington; ROBERT HEMSLEY, former G.A. representative, Western Pulp/Paper Workers Association; DARRYLL OLSEN, Ph.D., board representative, Columbia Snake River Irrigators Association; JUDY COOVERT, small business co-owner, Printcom, Inc.



HOUSE JOINT RESOLUTION 4223

PROPOSED TO THE PEOPLE BY THE LEGISLATURE
AMENDMENT TO THE STATE CONSTITUTION

Official Ballot Title:

The legislature has proposed a constitutional amendment on increasing an exemption from the personal property tax.

This amendment would authorize the legislature to increase the personal property tax exemption for taxable personal property owned by each “head of a family” from three thousand (\$3,000) to fifteen thousand (\$15,000) dollars.

Should this constitutional amendment be:

Approved [] Rejected []

Votes cast by the 2006 Legislature on final passage:

Senate: Yeas, 46; Nays, 0; Excused, 3; House: Yeas, 96; Nays, 0; Excused, 2.

Note: The Official Ballot Title and Explanatory Statement were written by the Attorney General as required by law. The complete text of House Joint Resolution 4223 begins on page 47.

Explanatory Statement

The constitutional provision as it presently exists:

The state constitution and state statutes provide for a property tax based on the value of property. Property taxes apply to both real property (land, buildings, and permanent fixtures) and personal property (all other property that is not real estate). The amount of the tax is determined based upon the assessed valuation of the property. Certain personal property is exempt from tax, including household goods, furnishings and personal effects used by the owner, and most business merchandise. Personal property subject to property tax consists mainly of office furniture and business equipment, fixtures, and machinery.

The state constitution authorizes the legislature to enact an additional statutory exemption for taxable personal property worth up to \$3,000 owned by each individual who is a “head of a family” and the legislature has done so. An individual who is a “head of a family,” as defined by statute, and by rule of the Department of Revenue, qualifies for the exemption. A “head of a family” is defined to include a husband or wife, or a surviving spouse not remarried; any person receiving an old age pension under state laws; any citizen of the United States, over the age of sixty-five who has resided in Washington continuously for ten years; and other individuals who reside with and provide care and maintenance for family members, as defined. Corporations, limited liability companies, and partnerships do not qualify for the exemption.

When an individual who qualifies as a “head of a family” owns taxable personal property, the individual is entitled to an exemption of up to \$3,000.

The effect of the proposed amendment, if it is approved:

The proposed constitutional amendment would authorize the legislature to increase the maximum personal property tax exemption for taxable personal property owned by each “head of a family” from \$3,000 to \$15,000.



Statement For HJR 4223

Small businesses are the heart of Washington's economy. Yet, the local businesses that provide good jobs for our families and communities often struggle to stay afloat.

This proposed constitutional amendment – HJR 4223 – will help local businesses grow and succeed.

Currently, businesses must pay a personal property tax on their assets. The first \$3,000 of their assets are exempt from the tax. HJR 4223 would raise the exemption allowed under the State Constitution to \$15,000.

Increasing the exemption will help businesses throughout Washington. Start up businesses, in-home businesses and businesses updating old equipment – such as computers or machinery – will benefit from this change.

This amendment will:

- Save money for Washington's employers, enabling them to invest more in their workers and in improving competitiveness;
- Enable small businesses to upgrade their technologies without substantially increasing their tax burden;
- Reduce paperwork.

This reform is long overdue. While the cost of everyday items has increased significantly, this exemption has not been raised since 1988.

HJR 4223 was prime-sponsored by State Representative Derek Kilmer, who works with small businesses every day as a manager with the Economic Development Board in Pierce County. The proposal passed unanimously out of the State House and Senate.

It received the support of the Association of Washington Business, the National Federation of Independent Business, the Independent Business Association and local businesses throughout our state.

As citizens, we have the ability to pass this constitutional amendment and help our small businesses compete. Please vote "yes."

Voters' Pamphlet Argument Prepared by:

DEREK KILMER, State Representative, 26th Legislative District, (prime sponsor); MARK ERICKS, State Representative, 1st Legislative District; DON BRUNELL, President, Association of Washington Business; CAROLYN LOGUE, State Director, National Federation of Independent Business; KLAUS GOLOMBEK, retired banker and Kitsap County business owner; GARY SMITH, Executive Director, Independent Business Association.

Statement Against HJR 4223

State law requires that the argument and rebuttal statement against a constitutional amendment be written by one or more members of the state Legislature who voted against that proposed measure on final passage or, in the event that no such member of the Legislature consents to prepare the statement, by any other responsible individual or individuals to be appointed by the Speaker of the House of Representatives, the President of the State Senate, and the Secretary of State. No legislator who voted against House Joint Resolution 4223 or other individual opposing the measure consented to write an argument against the measure for publication in this pamphlet.



Complete Text of Initiative Measure No. 920

AN ACT Relating to taxation; creating new sections; and repealing RCW 83.100.010, 83.100.020, 83.100.040, 83.100.046, 83.100.047, 83.100.050, 83.100.060, 83.100.070, 83.100.080, 83.100.090, 83.100.095, 83.100.110, 83.100.120, 83.100.130, 83.100.140, 83.100.150, 83.100.160, 83.100.170, 83.100.180, 83.100.190, 83.100.200, 83.100.210, 83.100.220, 83.100.900, 83.100.901, 83.100.902, 83.100.903, 83.100.904, and 83.100.905.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. The intent of this act is to prohibit taxes triggered by death. All death, estate, gift, and inheritance taxes are prohibited in the state of Washington.

NEW SECTION. Sec. 2. The following acts or parts of acts are each repealed:

- (1) RCW 83.100.010 (Short title) and 2005 c 516 s 19, 1988 c 64 s 1, & 1981 2nd ex.s. c 7 s 83.100.010;
- (2) RCW 83.100.020 (Definitions) and 2005 c 516 s 2, 2001 c 320 s 15, 1999 c 358 s 19, 1998 c 292 s 401, 1994 c 221 s 70, 1993 c 73 s 9, 1990 c 224 s 1, 1988 c 64 s 2, & 1981 2nd ex.s. c 7 s 83.100.020;
- (3) RCW 83.100.040 (Estate tax imposed--Amount of tax) and 2005 c 516 s 3, 1988 c 64 s 4, & 1981 2nd ex.s. c 7 s 83.100.040;
- (4) RCW 83.100.046 (Deduction--Property used for farming--Requirements, conditions) and 2005 c 514 s 1201 & 2005 c 516 s 4;
- (5) RCW 83.100.047 (Marital deduction, qualified domestic trust--Election--Other deductions taken for income tax purposes disallowed) and 2005 c 516 s 13;
- (6) RCW 83.100.050 (Tax returns--Filing dates--Extensions) and 2005 c 516 s 5, 1988 c 64 s 6, 1986 c 44 s 1, & 1981 2nd ex.s. c 7 s 83.100.050;
- (7) RCW 83.100.060 (Date payment due--Extensions) and 2005 c 516 s 6, 1988 c 64 s 7, & 1981 2nd ex.s. c 7 s 83.100.060;
- (8) RCW 83.100.070 (Interest on amount due--Penalty for late filing--Exceptions--Rules) and 2005 c 516 s 7, 2000 c 105 s 1, 1997 c 136 s 1, 1996 c 149 s 13, 1988 c 64 s 8, & 1981 2nd ex.s. c 7 s 83.100.070;
- (9) RCW 83.100.080 (Department to issue release) and 1988 c 64 s 9, 1986 c 44 s 2, & 1981 2nd ex.s. c 7 s 83.100.080;
- (10) RCW 83.100.090 (Amended returns--Adjustments or final determinations) and 2005 c 516 s 8, 1988 c 64 s 10, & 1981 2nd ex.s. c 7 s 83.100.090;
- (11) RCW 83.100.095 (Examination by department of returns, other information--Assessment of additional tax, interest) and 2005 c 516 s 14;
- (12) RCW 83.100.110 (Tax lien) and 2005 c 516 s 9, 1988 c 64 s 11, & 1981 2nd ex.s. c 7 s 83.100.110;

- (13) RCW 83.100.120 (Liability for failure to pay tax before distribution or delivery) and 1981 2nd ex.s. c 7 s 83.100.120;
- (14) RCW 83.100.130 (Refund for overpayment--Requirements) and 2005 c 516 s 10, 1997 c 157 s 6, 1996 c 149 s 14, 1988 c 64 s 12, & 1981 2nd ex.s. c 7 s 83.100.130;
- (15) RCW 83.100.140 (Criminal acts relating to tax returns) and 2005 c 516 s 11, 1988 c 64 s 13, & 1981 2nd ex.s. c 7 s 83.100.140;
- (16) RCW 83.100.150 (Collection of tax--Findings filed in court) and 2005 c 516 s 12, 1988 c 64 s 14, & 1981 2nd ex.s. c 7 s 83.100.150;
- (17) RCW 83.100.160 (Clerk to give notice of filings) and 1993 c 413 s 1 & 1988 c 64 s 15;
- (18) RCW 83.100.170 (Court order) and 1988 c 64 s 16;
- (19) RCW 83.100.180 (Objections) and 1999 c 42 s 636 & 1988 c 64 s 17;
- (20) RCW 83.100.190 (Hearing by court) and 1988 c 64 s 18;
- (21) RCW 83.100.200 (Administration--Rules) and 1988 c 64 s 19;
- (22) RCW 83.100.210 (Application of chapter 82.32 RCW--Closing agreements authorized) and 2005 c 516 s 15 & 1996 c 149 s 18;
- (23) RCW 83.100.220 (Deposit of funds into education legacy trust account) and 2005 c 516 s 16;
- (24) RCW 83.100.900 (Repeals and saving) and 1981 2nd ex.s. c 7 s 83.100.160;
- (25) RCW 83.100.901 (Section captions not part of law) and 1981 2nd ex.s. c 7 s 83.100.170;
- (26) RCW 83.100.902 (New chapter) and 1981 2nd ex.s. c 7 s 83.100.180;
- (27) RCW 83.100.903 (Effective date--1981 2nd ex.s. c 7) and 1981 2nd ex.s. c 7 s 83.100.190;
- (28) RCW 83.100.904 (Captions--1988 c 64) and 1988 c 64 s 30; and
- (29) RCW 83.100.905 (Severability--1988 c 64) and 1988 c 64 s 31.

NEW SECTION. Sec. 3. This act applies to the estates of people who die on or after the effective date of this act.

NEW SECTION. Sec. 4. The provisions of this act are to be liberally construed to effectuate the intent and purpose of this act in favor of Washington state residents.

NEW SECTION. Sec. 5. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

PLEASE NOTE

In the text of the measures, any language in double parentheses with a line through it is existing state law and will be taken out of the law if the measure is approved by voters. Any underlined language does not appear in current state law but will be added to the law if the measure is approved by voters.



Complete Text of Initiative Measure No. 933

AN ACT Relating to providing fairness in government regulation of property; adding new sections to chapter 64.40 RCW; adding a new section to chapter 36.70A RCW; and creating new sections.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

INTENT TO REQUIRE FAIRNESS WHEN GOVERNMENT REGULATES PRIVATE PROPERTY

NEW SECTION. Sec. 1. This act is intended to protect the use and value of private property while providing for a healthy environment and ensuring that government agencies do not damage the use or value of private property, except if necessary to prevent threats to human health and safety. The people also intend to recognize and promote the unique interests, knowledge, and abilities private property owners have to protect the environment and land. To this end, government agencies must consider whether voluntary cooperation of property owners will meet the legitimate interests of the government instead of inflexible regulation of property.

The people find that over the last decade governmental restrictions on the use of property have increased substantially, creating hardships for many, and destroying reasonable expectations of being able to make reasonable beneficial use of property. Article I, section 16 of the state Constitution requires that government not take or damage property without first paying just compensation to the property owner. The people find that government entities should provide compensation for damage to property as provided in this act, but should also first evaluate whether the government's decision that causes damage is necessary and in the public interest.

The people find that eminent domain is an extraordinary power in the hands of government and potentially subject to misuse. When government threatens to take or takes private property under eminent domain, it should not take property which is unnecessary for public use or is primarily for private use, nor should it take property for a longer period of time than is necessary.

Responsible fiscal management and fundamental principles of good government require that government decision makers evaluate carefully the effect of their administrative, regulatory, and legislative actions on constitutionally protected rights in property. Agencies should review their actions carefully to prevent unnecessary taking or damaging of private property. The purpose of this act is to assist governmental agencies in undertaking such reviews and in proposing, planning, and implementing actions with due regard for the constitutional protections of property and to reduce the risk of inadvertent burdens on the public in creating liability for the government or undue burdens on private parties.

**FAIRNESS WHEN GOVERNMENT REGULATES
PRIVATE PROPERTY BY REQUIRING CONSIDERATION
OF IMPACTS BEFORE TAKING ACTION**

NEW SECTION. Sec. 2. A new section is added to chapter 64.40 RCW to read as follows:

(1) To avoid damaging the use or value of private property, prior to enacting or adopting any ordinance, regulation, or rule which may damage the use or value of private property, an agency must consider and document:

- (a) The private property that will be affected by the action;
- (b) The existence and extent of any legitimate governmental purpose for the action;
- (c) The existence and extent of any nexus or link between any legitimate government interest and the action;
- (d) The extent to which the regulation's restrictions are proportional to any impact of a particular property on any legitimate government interest, in light of the impact of other properties on the same governmental interests;
- (e) The extent to which the action deprives property owners of economically viable uses of the property;
- (f) The extent to which the action derogates or takes away a fundamental attribute of property ownership, including, but not limited to, the right to exclude others, to possess, to beneficial use, to enjoyment, or to dispose of property;
- (g) The extent to which the action enhances or creates a publicly owned right in property;
- (h) Estimated compensation that may need to be paid under this act; and
- (i) Alternative means which are less restrictive on private property and which may accomplish the legitimate governmental purpose for the regulation, including, but not limited to, voluntary conservation or cooperative programs with willing property owners, or other nonregulatory actions.

(2) For purposes of this act, the following definitions apply:

(a) "Private property" includes all real and personal property interests protected by the fifth amendment to the United States Constitution or Article I, section 16 of the state Constitution owned by a nongovernmental entity, including, but not limited to, any interest in land, buildings, crops, livestock, and mineral and water rights.

(b) "Damaging the use or value" means to prohibit or restrict the use of private property to obtain benefit to the public the cost of which in all fairness and justice should be borne by the public as a whole, and includes, but is not limited to:

- (i) Prohibiting or restricting any use or size, scope, or intensity of any use legally existing or permitted as of January 1, 1996;
- (ii) Prohibiting the continued operation, maintenance, replacement, or repair of existing tidegates, bulkheads, revetments, or other infrastructure reasonably necessary for the protection of the use or value of private property;
- (iii) Prohibiting or restricting operations and maintenance of structures necessary for the operation of irrigation facilities, including, but not limited to, diversions, operation structures, canals,

drainage ditches, flumes, or delivery systems;

(iv) Prohibiting actions by a private property owner reasonably necessary to prevent or mitigate harm from fire, flooding, erosion, or other natural disasters or conditions that would impair the use or value of private property;

(v) Requiring a portion of property to be left in its natural state or without beneficial use to its owner, unless necessary to prevent immediate harm to human health and safety; or

(vi) Prohibiting maintenance or removal of trees or vegetation.

(c) “Damaging the use or value” does not include restrictions that apply equally to all property subject to the agency’s jurisdiction, including:

(i) Restricting the use of property when necessary to prevent an immediate threat to human health and safety;

(ii) Requiring compliance with structural standards for buildings in building or fire codes to prevent harm from earthquakes, flooding, fire, or other natural disasters;

(iii) Limiting the location or operation of sex offender housing or adult entertainment;

(iv) Requiring adherence to chemical use restrictions that have been adopted by the United States environmental protection agency;

(v) Requiring compliance with worker health and safety laws or regulations;

(vi) Requiring compliance with wage and hour laws;

(vii) Requiring compliance with dairy nutrient management restrictions or regulations in chapter 90.64 RCW; or

(viii) Requiring compliance with local ordinances establishing setbacks from property lines, provided the setbacks were established prior to January 1, 1996.

This subsection (2)(c) shall be construed narrowly to effectuate the purposes of this act.

(d) “Compensation” means remuneration equal to the amount the fair market value of the affected property has been decreased by the application or enforcement of the ordinance, regulation, or rule. To the extent any action requires any portion of property to be left in its natural state or without beneficial use by its owner, “compensation” means the fair market value of that portion of property required to be left in its natural state or without beneficial use. “Compensation” also includes any costs and attorneys’ fees reasonably incurred by the property owner in seeking to enforce this act.

FAIRNESS WHEN GOVERNMENT DIRECTLY REGULATES PRIVATE PROPERTY

NEW SECTION. Sec. 3. A new section is added to chapter 64.40 RCW to read as follows:

An agency that decides to enforce or apply any ordinance, regulation, or rule to private property that would result in damaging the use or value of private property shall first pay the property owner compensation as defined in section 2 of this act. This section shall not be construed to limit agencies’ ability to waive, or issue variances from, other legal requirements. An agency that chooses not to take action which will damage the use or value of private property is not liable for paying remuneration under this section.

NEW SECTION. Sec. 4. A new section is added to chapter 64.40 RCW to read as follows:

An agency may not charge any fee for considering whether to waive or grant a variance from an ordinance, regulation, or rule in order to avoid responsibility for paying compensation as provided in section 3 of this act.

NEW SECTION. Sec. 5. A new section is added to chapter 36.70A RCW to read as follows:

Development regulations adopted under this chapter shall not prohibit uses legally existing on any parcel prior to their adoption. Nothing in this chapter shall be construed to authorize an interference with the duties in chapter 64.40 RCW.

MISCELLANEOUS

NEW SECTION. Sec. 6. The provisions of this act are to be liberally construed to effectuate the intent, policies, and purpose of this act to protect private property owners.

NEW SECTION. Sec. 7. Nothing in this act shall diminish any other remedy provided under the United States Constitution or state Constitution, or federal or state law, and this act is not intended to modify or replace any such remedy.

NEW SECTION. Sec. 8. Subheadings used in this act are not any part of the law.

NEW SECTION. Sec. 9. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 10. This act shall be known as the property fairness act.



Complete Text of Initiative Measure No. 937

AN ACT Relating to requirements for new energy resources; adding a new chapter to Title 19 RCW; and prescribing penalties.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. **INTENT.** This chapter concerns requirements for new energy resources. This chapter requires large utilities to obtain fifteen percent of their electricity from new renewable resources such as solar and wind by 2020 and undertake cost-effective energy conservation.

NEW SECTION. Sec. 2. **DECLARATION OF POLICY.** Increasing energy conservation and the use of appropriately sited renewable energy facilities builds on the strong foundation of low-cost renewable hydroelectric generation in Washington state and will promote energy independence in the state and the Pacific Northwest region. Making the most of our plentiful local resources will stabilize electricity prices for Washington residents, provide economic benefits for Washington counties and farmers, create high-quality jobs in Washington, provide opportunities for training apprentice workers in the renewable energy field, protect clean air and water, and position Washington state as a national leader in clean energy technologies.

NEW SECTION. Sec. 3. **DEFINITIONS.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) “Attorney general” means the Washington state office of the attorney general.
- (2) “Auditor” means: (a) The Washington state auditor’s office or its designee for qualifying utilities under its jurisdiction that are not investor-owned utilities; or (b) an independent auditor selected by a qualifying utility that is not under the jurisdiction of the state auditor and is not an investor-owned utility.
- (3) “Commission” means the Washington state utilities and transportation commission.
- (4) “Conservation” means any reduction in electric power consumption resulting from increases in the efficiency of energy use, production, or distribution.
- (5) “Cost-effective” has the same meaning as defined in RCW 80.52.030.
- (6) “Council” means the Washington state apprenticeship and training council within the department of labor and industries.
- (7) “Customer” means a person or entity that purchases electricity for ultimate consumption and not for resale.
- (8) “Department” means the department of community, trade, and economic development or its successor.
- (9) “Distributed generation” means an eligible renewable resource where the generation facility

or any integrated cluster of such facilities has a generating capacity of not more than five megawatts.

(10) “Eligible renewable resource” means:

(a) Electricity from a generation facility powered by a renewable resource other than fresh water that commences operation after March 31, 1999, where: (i) The facility is located in the Pacific Northwest; or (ii) the electricity from the facility is delivered into Washington state on a real-time basis without shaping, storage, or integration services; or

(b) Incremental electricity produced as a result of efficiency improvements completed after March 31, 1999, to hydroelectric generation projects owned by a qualifying utility and located in the Pacific Northwest or to hydroelectric generation in irrigation pipes and canals located in the Pacific Northwest, where the additional generation in either case does not result in new water diversions or impoundments.

(11) “Investor owned utility” has the same meaning as defined in RCW 19.29A.010.

(12) “Load” means the amount of kilowatt-hours of electricity delivered in the most recently completed year by a qualifying utility to its Washington retail customers.

(13) “Nonpower attributes” means all environmentally related characteristics, exclusive of energy, capacity reliability, and other electrical power service attributes, that are associated with the generation of electricity from a renewable resource, including but not limited to the facility’s fuel type, geographic location, vintage, qualification as an eligible renewable resource, and avoided emissions of pollutants to the air, soil, or water, and avoided emissions of carbon dioxide and other greenhouse gases.

(14) “Pacific Northwest” has the same meaning as defined for the Bonneville power administration in section 3 of the Pacific Northwest electric power planning and conservation act (94 Stat. 2698; 16 U.S.C. Sec. 839a).

(15) “Public facility” has the same meaning as defined in RCW 39.35C.010.

(16) “Qualifying utility” means an electric utility, as the term “electric utility” is defined in RCW 19.29A.010, that serves more than twenty-five thousand customers in the state of Washington. The number of customers served may be based on data reported by a utility in form 861, “annual electric utility report,” filed with the energy information administration, United States department of energy.

(17) “Renewable energy credit” means a tradable certificate of proof of at least one megawatt-hour of an eligible renewable resource where the generation facility is not powered by fresh water, the certificate includes all of the nonpower attributes associated with that one megawatt-hour of electricity, and the certificate is verified by a renewable energy credit tracking system selected by the department.

(18) “Renewable resource” means: (a) Water; (b) wind; (c) solar energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or tidal power; (g) gas from sewage treatment facilities; (h) biodiesel fuel as defined in RCW 82.29A.135 that is not derived from crops raised on land cleared from old growth or first-growth forests where the clearing occurred after the effective date of this section; and (i) biomass energy based on animal waste or solid organic fuels from wood, forest, or field residues, or dedicated energy crops that do not include (i) wood pieces that have been treated with

chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic; (ii) black liquor byproduct from paper production; (iii) wood from old growth forests; or (iv) municipal solid waste.

(19) “Rule” means rules adopted by an agency or other entity of Washington state government to carry out the intent and purposes of this chapter.

(20) “Year” means the twelve-month period commencing January 1st and ending December 31st.

NEW SECTION. Sec. 4. ENERGY CONSERVATION AND RENEWABLE ENERGY TARGETS. (1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible.

(a) By January 1, 2010, using methodologies consistent with those used by the Pacific Northwest electric power and conservation planning council in its most recently published regional power plan, each qualifying utility shall identify its achievable cost-effective conservation potential through 2019. At least every two years thereafter, the qualifying utility shall review and update this assessment for the subsequent ten-year period.

(b) Beginning January 2010, each qualifying utility shall establish and make publicly available a biennial acquisition target for cost-effective conservation consistent with its identification of achievable opportunities in (a) of this subsection, and meet that target during the subsequent two-year period. At a minimum, each biennial target must be no lower than the qualifying utility’s pro rata share for that two-year period of its cost-effective conservation potential for the subsequent ten-year period.

(c) In meeting its conservation targets, a qualifying utility may count high-efficiency cogeneration owned and used by a retail electric customer to meet its own needs. High-efficiency cogeneration is the sequential production of electricity and useful thermal energy from a common fuel source, where, under normal operating conditions, the facility has a useful thermal energy output of no less than thirty-three percent of the total energy output. The reduction in load due to high-efficiency cogeneration shall be: (i) Calculated as the ratio of the fuel chargeable to power heat rate of the cogeneration facility compared to the heat rate on a new and clean basis of a best-commercially available technology combined-cycle natural gas-fired combustion turbine; and (ii) counted towards meeting the biennial conservation target in the same manner as other conservation savings.

(d) The commission may determine if a conservation program implemented by an investor-owned utility is cost-effective based on the commission’s policies and practice.

(e) The commission may rely on its standard practice for review and approval of investor-owned utility conservation targets.

(2)(a) Each qualifying utility shall use eligible renewable resources or acquire equivalent renewable energy credits, or a combination of both, to meet the following annual targets:

(i) At least three percent of its load by January 1, 2012, and each year thereafter through December 31, 2015;

(ii) At least nine percent of its load by January 1, 2016, and each year thereafter through December 31, 2019; and

- (iii) At least fifteen percent of its load by January 1, 2020, and each year thereafter.
- (b) A qualifying utility may count distributed generation at double the facility's electrical output if the utility: (i) Owns or has contracted for the distributed generation and the associated renewable energy credits; or (ii) has contracted to purchase the associated renewable energy credits.
- (c) In meeting the annual targets in (a) of this subsection, a qualifying utility shall calculate its annual load based on the average of the utility's load for the previous two years.
- (d) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if: (i) The utility's weather-adjusted load for the previous three years on average did not increase over that time period; (ii) after the effective date of this section, the utility did not commence or renew ownership or incremental purchases of electricity from resources other than renewable resources other than on a daily spot price basis and the electricity is not offset by equivalent renewable energy credits; and (iii) the utility invested at least one percent of its total annual retail revenue requirement that year on eligible renewable resources, renewable energy credits, or a combination of both.
- (e) The requirements of this section may be met for any given year with renewable energy credits produced during that year, the preceding year, or the subsequent year. Each renewable energy credit may be used only once to meet the requirements of this section.
- (f) In complying with the targets established in (a) of this subsection, a qualifying utility may not count:
- (i) Eligible renewable resources or distributed generation where the associated renewable energy credits are owned by a separate entity; or
 - (ii) Eligible renewable resources or renewable energy credits obtained for and used in an optional pricing program such as the program established in RCW 19.29A.090.
- (g) Where fossil and combustible renewable resources are cofired in one generating unit located in the Pacific Northwest where the cofiring commenced after March 31, 1999, the unit shall be considered to produce eligible renewable resources in direct proportion to the percentage of the total heat value represented by the heat value of the renewable resources.
- (h)(i) A qualifying utility that acquires an eligible renewable resource or renewable energy credit may count that acquisition at one and two-tenths times its base value:
- (A) Where the eligible renewable resource comes from a facility that commenced operation after December 31, 2005; and
 - (B) Where the developer of the facility used apprenticeship programs approved by the council during facility construction.
- (ii) The council shall establish minimum levels of labor hours to be met through apprenticeship programs to qualify for this extra credit.
- (i) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if events beyond the reasonable control of the utility that could not have been reasonably anticipated or ameliorated prevented it from meeting the renewable energy target. Such events include weather-related damage, mechanical failure, strikes, lockouts, and actions of a governmental authority that adversely affect the generation, transmission, or distribution of an eligible renewable resource under contract to a qualifying utility.

(3) Utilities that become qualifying utilities after December 31, 2006, shall meet the requirements in this section on a time frame comparable in length to that provided for qualifying utilities as of the effective date of this section.

NEW SECTION. Sec. 5. RESOURCE COSTS. (1)(a) A qualifying utility shall be considered in compliance with an annual target created in section 4(2) of this act for a given year if the utility invested four percent of its total annual retail revenue requirement on the incremental costs of eligible renewable resources, the cost of renewable energy credits, or a combination of both, but a utility may elect to invest more than this amount.

(b) The incremental cost of an eligible renewable resource is calculated as the difference between the levelized delivered cost of the eligible renewable resource, regardless of ownership, compared to the levelized delivered cost of an equivalent amount of reasonably available substitute resources that do not qualify as eligible renewable resources, where the resources being compared have the same contract length or facility life.

(2) An investor-owned utility is entitled to recover all prudently incurred costs associated with compliance with this chapter. The commission shall address cost recovery issues of qualifying utilities that are investor-owned utilities that serve both in Washington and in other states in complying with this chapter.

NEW SECTION. Sec. 6. ACCOUNTABILITY AND ENFORCEMENT. (1) Except as provided in subsection (2) of this section, a qualifying utility that fails to comply with the energy conservation or renewable energy targets established in section 4 of this act shall pay an administrative penalty to the state of Washington in the amount of fifty dollars for each megawatt-hour of shortfall. Beginning in 2007, this penalty shall be adjusted annually according to the rate of change of the inflation indicator, gross domestic product-implicit price deflator, as published by the bureau of economic analysis of the United States department of commerce or its successor.

(2) A qualifying utility that does not meet an annual renewable energy target established in section 4(2) of this act is exempt from the administrative penalty in subsection (1) of this section for that year if the commission for investor-owned utilities or the auditor for all other qualifying utilities determines that the utility complied with section 4(2) (d) or (i) or 5(1) of this act.

(3) A qualifying utility must notify its retail electric customers in published form within three months of incurring a penalty regarding the size of the penalty and the reason it was incurred.

(4) The commission shall determine if an investor-owned utility may recover the cost of this administrative penalty in electric rates, and may consider providing positive incentives for an investor-owned utility to exceed the targets established in section 4 of this act.

(5) Administrative penalties collected under this chapter shall be deposited into the energy independence act special account which is hereby created. All receipts from administrative penalties collected under this chapter must be deposited into the account. Expenditures from the account may be used only for the purchase of renewable energy credits or for energy conservation projects at public facilities, local government facilities, community colleges, or state universities. The state shall own and retire any renewable energy credits purchased using moneys from the account. Only

the director of general administration or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(6) For a qualifying utility that is an investor-owned utility, the commission shall determine compliance with the provisions of this chapter and assess penalties for noncompliance as provided in subsection (1) of this section.

(7) For qualifying utilities that are not investor-owned utilities, the auditor is responsible for auditing compliance with this chapter and rules adopted under this chapter that apply to those utilities and the attorney general is responsible for enforcing that compliance.

NEW SECTION. Sec. 7. REPORTING AND PUBLIC DISCLOSURE. (1) On or before June 1, 2012, and annually thereafter, each qualifying utility shall report to the department on its progress in the preceding year in meeting the targets established in section 4 of this act, including expected electricity savings from the biennial conservation target, expenditures on conservation, actual electricity savings results, the utility's annual load for the prior two years, the amount of megawatt-hours needed to meet the annual renewable energy target, the amount of megawatt-hours of each type of eligible renewable resource acquired, the type and amount of renewable energy credits acquired, and the percent of its total annual retail revenue requirement invested in the incremental cost of eligible renewable resources and the cost of renewable energy credits. For each year that a qualifying utility elects to demonstrate alternative compliance under section 4(2) (d) or (i) or 5(1) of this act, it must include in its annual report relevant data to demonstrate that it met the criteria in that section. A qualifying utility may submit its report to the department in conjunction with its annual obligations in chapter 19.29A RCW.

(2) A qualifying utility that is an investor-owned utility shall also report all information required in subsection (1) of this section to the commission, and all other qualifying utilities shall also make all information required in subsection (1) of this section available to the auditor.

(3) A qualifying utility shall also make reports required in this section available to its customers.

NEW SECTION. Sec. 8. RULE MAKING. (1) The commission may adopt rules to ensure the proper implementation and enforcement of this chapter as it applies to investor-owned utilities.

(2) The department shall adopt rules concerning only process, timelines, and documentation to ensure the proper implementation of this chapter as it applies to qualifying utilities that are not investor-owned utilities. Those rules include, but are not limited to, rules associated with a qualifying utility's development of conservation targets under section 4(1) of this act; a qualifying utility's decision to pursue alternative compliance in section 4(2) (d) or (i) or 5(1) of this act; and the format and content of reports required in section 7 of this act. Nothing in this subsection may be construed to restrict the rate-making authority of the commission or a qualifying utility as otherwise provided by law.

(3) The commission and department may coordinate in developing rules related to process, timelines, and documentation that are necessary for implementation of this chapter.

(4) Pursuant to the administrative procedure act, chapter 34.05 RCW, rules needed for the implementation of this chapter must be adopted by December 31, 2007. These rules may be revised as needed to carry out the intent and purposes of this chapter.

NEW SECTION. Sec. 9. CONSTRUCTION. The provisions of this chapter are to be liberally construed to effectuate the intent, policies, and purposes of this chapter.

NEW SECTION. Sec. 10. SEVERABILITY. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 11. SHORT TITLE. This chapter may be known and cited as the energy independence act.

NEW SECTION. Sec. 12. CAPTIONS NOT LAW. Captions used in this chapter are not any part of the law.

NEW SECTION. Sec. 13. Sections 1 through 12 of this act constitute a new chapter in Title 19 RCW.



Complete Text of House Joint Resolutuion 4223

BE IT RESOLVED, BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF WASHINGTON, IN LEGISLATIVE SESSION ASSEMBLED:

THAT, At the next general election to be held in this state the secretary of state shall submit to the qualified voters of the state for their approval and ratification, or rejection, an amendment to Article VII, section 1 of the Constitution of the state of Washington to read as follows:

Article VII, section 1. The power of taxation shall never be suspended, surrendered or contracted away. All taxes shall be uniform upon the same class of property within the territorial limits of the authority levying the tax and shall be levied and collected for public purposes only. The word “property” as used herein shall mean and include everything, whether tangible or intangible, subject to ownership. All real estate shall constitute one class: *Provided*, That the legislature may tax mines and mineral resources and lands devoted to reforestation by either a yield tax or an ad valorem tax at such rate as it may fix, or by both. Such property as the legislature may by general laws provide shall be exempt from taxation. Property of the United States and of the state, counties, school districts and other municipal corporations, and credits secured by property actually taxed in this state, not exceeding in value the value of such property, shall be exempt from taxation. The legislature shall have power, by appropriate legislation, to exempt personal property to the amount of ~~((three))~~ fifteen thousand ~~(((\$3,000.00)))~~ (\$15,000.00) dollars for each head of a family liable to assessment and taxation under the provisions of the laws of this state of which the individual is the actual bona fide owner.

BE IT FURTHER RESOLVED, That the secretary of state shall cause notice of this constitutional amendment to be published at least four times during the four weeks next preceding the election in every legal newspaper in the state.

County Auditor and Elections Department Information

COUNTY AUDITOR ELECTIONS DEPARTMENT	MAILING ADDRESS	CITY	ZIP	TELEPHONE NUMBER
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Adams	210 W Broadway	Ritzville	99169	509.659.3249
Asotin	P O Box 129	Asotin	99402	509.243.2084
Benton	P O Box 470	Prosser	99350	509.736.3085
Chelan	P O Box 400	Wenatchee	98807	509.667.6808
Clallam	223 E 4 th St, Ste 1	Port Angeles	98362	360.417.2221
Clark	P O Box 8815	Vancouver	98666-8815	360.397.2345
Columbia	341 E Main St	Dayton	99328-1361	509.382.4541
Cowlitz	207 4 th Ave N	Kelso	98626	360.577.3005
Douglas	P O Box 456	Waterville	98858	509.745.8527
	213 S Rainier St			
Ferry	350 E Delaware Ave #2	Republic	99166	509.775.5200
Franklin	404 W Clark St	Pasco	99301	509.545.3538
Garfield	P O Box 278	Pomeroy	99347	509.843.1411
Grant	P O Box 37	Ephrata	98823	509.754.2011 Ext 343
Grays Harbor	100 W Broadway, Ste 2	Montesano	98563	360.249.4232
Island	P O Box 5000	Coupeville	98239	360.679.7366
Jefferson	P O Box 563	Port Townsend	98368	360.385.9119
King	500 4 th Ave, Rm 553	Seattle	98104	206.296.8683
Kitsap	614 Division St	Port Orchard	98366	360.337.7128
	Ste 175			
Kittitas	205 W 5 th Ave, Rm 105	Ellensburg	98926	509.962.7503
Klickitat	205 S Columbus	Goldendale	98620	509.773.4001
	MSCH 2			
Lewis	P O Box 29	Chehalis	98532-0029	360.740.1278

These numbers require special telephone equipment to operate. **TDD SERVICE ONLY** for the speech or hearing impaired.

509.659.1122
1.800.855.1155
1.800.855.1155
1.800.833.6388
1.800.833.6388
1.800.233.6384
1.800.833.6388
360.577.3061
509.745.8527, Ext 297
1.800.833.6388
1.800.833.6388
1.800.833.6388
1.800.833.6388
360.249.6575
360.679.7305
1.800.833.6388
206.296.0109
1.800.833.6388
1.800.833.6388
1.800.833.6388
1.800.833.6388
360.740.1480

COUNTY AUDITOR ELECTIONS DEPARTMENT	MAILING ADDRESS	CITY	ZIP	TELEPHONE NUMBER	TDD SERVICE
Lincoln	P O Box 28	Davenport	99122	509.725.4971	1.800.833.6388
Mason	P O Box 400	Shelton	98584	360.427.9670 Ext 469	1.800.833.6388
Okanogan	P O Box 1010	Okanogan	98840	509.422.7240	1.800.833.6388
Pacific	P O Box 97	South Bend	98586-0097	360.875.9317	360.875.9400
Pend Oreille	P O Box 5015	Newport	99156	509.447.3185 Option 3	509.447.3186
Pierce	2401 S 35 th St, Rm 200	Tacoma	98409	253.798.7430	1.800.833.6388
				1.800.446.4979	
San Juan	55 Second St, Ste A	Friday Harbor	98250	360.378.3357	360.378.4151
Skagit	P O Box 1306	Mount Vernon	98273	360.336.9305	360.336.9332
Skamania	P O Box 790	Stevenson	98648	509.427.9420	1.800.833.6388
Snohomish	3000 Rockefeller Ave MS 505	Everett	98201	425.388.3444	425.388.3700
Spokane	1033 W Gardner	Spokane	99260	509.477.2320	509.477.2333
Stevens	215 S Oak St, Rm 106	Colville	99114	509.684.7514	
1.800.833.6384					
Thurston	2000 Lakeridge Dr SW	Olympia	98502	1.866.307.9060	360.754.2933
Wahkiakum	P O Box 543	Cathlamet	98612	360.795.3219	1.800.833.6388
Walla Walla	P O Box 1856	Walla Walla	99362	509.524.2530	1.800.833.6388
	315 W Main St				
Whatcom	311 Grand Ave, Ste 103	Bellingham	98225	360.676.6742	360.738.4555
Whitman	PO Box 350	Colfax	99111	509.397.6270	1.800.833.6388
Yakima	128 N 2 nd St, Rm 117	Yakima	98901	509.574.1340	1.800.833.6388
➤ Attention speech or hearing impaired Telecommunications Device for the Deaf users: If you are using an “800 number” from the list above for TDD service, you must be prepared to give the relay service operator the telephone number for your county auditor or elections department.					

Absentee Ballot Application

If you have requested an absentee ballot or have a permanent request for an absentee ballot on file, please do not submit another application.

To be filled out by applicant. Please print in ink.

Registered Name: _____

Street Address: _____

City: _____ ZIP Code: _____

Telephone: (Day) _____ (Eve.) _____

For identification purposes only (optional): Voter registration number, if known: _____

Birth Date: _____ Have you recently registered to vote? Yes ☐ No ☐

I hereby declare that I am a registered voter.

Signature *£* _____

Date _____

To be valid, your signature must be included.

Send my ballot to the following address (if different from above):

Mailing Address: _____

City: _____ State: _____

ZIP Code: _____ Country: _____



Mail this
absentee ballot
request form to your
county auditor or elections
department.
See previous pages for
your county's mailing
address.

This application is for:

General Election only

November 7, 2006 ☐

Permanent Request

All future elections ☐

For office use only

Precinct Code: _____

Levy Code: _____

Ballot Code: _____

Ballot Mailed: _____